

Assembly Bill No. 1792

Passed the Assembly August 9, 2010

Chief Clerk of the Assembly

Passed the Senate August 5, 2010

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2010, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 19616.51 of the Business and Professions Code, relating to horse racing.

LEGISLATIVE COUNSEL'S DIGEST

AB 1792, Silva. Horse racing: license fee reduction: quarter horse racing.

Existing law provides that, notwithstanding any other law and in lieu of any license fee payable to the state prescribed for or referred to in specified provisions of the Horse Racing Law, any association or fair that conducts a racing meeting shall pay its proportional amount, as determined by the formula devised by the California Horse Racing Board in consultation with the industry, as a license fee to the state to fund the board and the equine drug testing program, as provided. Existing law provides that the license fee reductions resulting from these provisions, after payments to fund the board and the equine drug testing program, shall be distributed as specified for thoroughbred racing, quarter horse racing, harness racing, and all other breeds. For quarter horse racing, 2.5% of the amount of the reduction is required to be deposited with the official registering agency and distributed as provided.

This bill would increase to 3% the amount of the reduction for quarter horse racing that is to be deposited with the official registering agency for distribution.

The people of the State of California do enact as follows:

SECTION 1. Section 19616.51 of the Business and Professions Code is amended to read:

19616.51. (a) Notwithstanding any other law, and in lieu of any license fee payable to the state prescribed for or referred to in Section 19491, 19491.5, 19596.3, 19601, 19601.2, 19602, 19603, 19604, 19605.25, 19605.35, 19605.45, 19605.6, 19605.7, 19605.71, 19606.5, 19606.6, 19610.8, 19611, 19612, 19614, 19616, 19616.1, 19616.2, or 19641, any association or fair that conducts a racing meeting shall only pay its proportional amount, as determined by

the formula devised pursuant to paragraph (1), as a license fee to the state, to be deposited into the Horse Racing Fund, which is hereby established, to fund the board and the equine drug testing program as follows:

(1) All racing associations and fairs including all breeds of racing shall participate in the funding of the board in accordance with a formula devised by the board in consultation with the industry.

(2) The baseline funding for the board and equine drug testing program in the first fiscal year after the enactment of this section shall be the amount approved in the 2008–09 Budget Act.

(3) Adjustments to the funding in subsequent budget years may only be made by an act of the Legislature.

(b) The license fee reductions resulting from subdivision (a), after payments to fund the board and the equine drug testing program, shall be distributed as follows:

(1) For thoroughbred racing only, 3 percent of the amount of the reduction shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2. The remaining amount shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows:

(A) Fifty percent to the association as commissions.

(B) Fifty percent to the horsemen as purses.

(2) For quarter horse racing, 3 percent of the amount of the reduction shall be deposited with the official registering agency pursuant to subdivision (b) of Section 19617.7, and shall thereafter be distributed in accordance with subdivisions (c), (d), (e), and (f) of Section 19617.7, the remaining amount shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows:

(A) Fifty percent to the association as commissions.

(B) Fifty percent to the horsemen as purses.

(3) For harness racing, 6 percent of the amount of the reduction shall be distributed as specified in Section 19617.6, the remaining amount shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows:

(A) Fifty percent to the association as commissions.

(B) Fifty percent to the horsemen as purses.

(4) For all other breeds, the remaining amount shall be distributed to the association that conducts the racing meeting and to horsemen participating in that racing meeting as follows:

(A) Fifty percent to the association as commissions.

(B) Fifty percent to the horsemen as purses.

Approved _____, 2010

Governor